



MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Violet Varona-Lukens, Executive Officer
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

Director of Health Services

At its meeting held August 16, 2005, the Board took the following action:

S-1

Dr. Thomas L. Garthwaite, Director of Health Services, presented the attached report dated August 5, 2005 on the future of Martin Luther King, Jr./Charles R. Drew Medical Center (KDMC) relating to administrative restructuring, the current state of Pediatrics, Obstetrics, and the impact that closing services at KDMC might have within the community. In addition, Dr. Garthwaite presented various recommendations in regards to Beilenson hearings, closure and expansion of various services, and contracting out services at KDMC. Dr. Hector Flores, Chairman of the Hospital Advisory Board (HAB), addressed the Board regarding the attached report of the HAB responding to the Director of Health Services' recommendations on the future of King/Drew Medical Center. Hank Wells, Acting Chief Executive Officer, Navigant Consulting, Inc., and Dr. Bruce Chernof, Senior Medical Director, Clinical Affairs and Affiliations, Department of Health Services, also addressed the Board.

After discussion, the following statement was entered into the record for Supervisors Molina and Burke:

"The Martin Luther King, Jr./Charles R. Drew Medical Center is a vital component of Los Angeles County's health care delivery system. KDMC has served the health needs of some of Los Angeles County's most vulnerable populations. As the 40th Anniversary of the Watts riots reminds us, KDMC has served as a safety net in a community that has often felt abandoned. The Board of Supervisors must commit to keeping KDMC open and operating as a County facility at this time.

"The Board of Supervisors has acted in confronting the life-threatening challenges at KDMC. From the closure of KDMC's trauma center, to the creation of a Hospital Advisory Board (HAB) to stabilize governance, the Board of Supervisors has routinely accepted the recommendations of the Department of Health Services (DHS). Unfortunately, some of those recommendations have not yet resulted in a fully stabilized hospital as expected by the Board and the public.

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“The DHS report dated August 5, 2005, and its recommendations to downsize with no clear pathway for success, require more analysis and specificity to provide greater assurance that such recommendations are, in fact, the best way to proceed. The report requires structural changes that demonstrate clearer outcomes, timelines, and accountability among consultants and County staff.

“The Board of Supervisors must examine DHS’s recommendations, invite the active engagement of additional community stakeholders, and arrive at a clearer, more efficient action plan that better guarantees a pathway to maintaining KDMC as a completely operational, County-operated facility at this time. Further, the Board of Supervisors created and directed the KDMC Hospital Advisory Board to advise the Board and DHS on all matters related to KDMC. It is prudent that we heed the expertise of the very Board we created.

“As we proceed, our priority must be to protect access to high quality health care services in the safest of professional environments.

“Martin Luther King, Jr. once said, ‘All progress is precarious, and the solution of one problem brings us face to face with another problem.’ His words could not be more relevant as we collectively act to restore to its original vision a medical center that has great promise as a leader in the provision of health care to the urban communities of South Los Angeles.”

Therefore, Supervisor Molina made a motion that the Board direct the Director of Health Services, with the assistance of the Chief Administrative Officer, County Counsel, Director of Personnel, and Navigant Consulting, Inc. (entities) to:

1. Defer action on the Department of Health Services’ August 5, 2005 report until additional community stakeholders, such as elected officials and community leaders, have an opportunity to review and make additional recommendations to the Board; and
2. Present the following information to the Board at the Board meeting of September 27, 2005, in conjunction with the report on Drew University:
 - Comprehensive action plan with specific timelines detailing accountability measures that have been implemented and those remaining to be implemented at King/Drew Medical Center (KDMC) regarding performance of all KDMC affiliated employees;

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- Establish that the Board is not pursuing privatization of KDMC at this time, rather all interested stakeholders can solely concentrate on the restructuring, stabilization, and success of KDMC as a County-operated facility;
- Further stabilize the executive management of KDMC by expediting the final hiring of a Chief Executive Officer and her/his Executive Team;
- Comprehensive action plan with specific timelines on how they will proceed with the recruitment and hiring of permanent staff at all levels of KDMC, particularly nurses and mid-level managers, with the analysis to include specific recommendations on what County policies or procedures should be changed if such policies prove to be an impediment to more efficient recruitment and hiring;
- Coordinate all efforts of the aforementioned entities with KDMC's Hospital Advisory Board (HAB) and direct them to report monthly to the Board on all progress and barriers related to the provision of high quality patient care at KDMC, with HAB offering specific recommendations on how to actively remedy such barriers, with HAB to have a greater opportunity to be of service to the Board in their deliberations, though the Board will remain the official governing body for KDMC for all purposes, including compliance with Federal Medicare regulations, Joint Commission on Accreditation of Healthcare Organizations (JCAHO) standards, and State licensing rules;
- Report and budget action plan with specific timelines with recommendations to the Board of capital improvement items that should be immediately funded to maximize KDMC's ability to achieve JCAHO accreditation and maintain Centers for Medicare and Medicaid Services certification;
- Analysis and action plan with specific timelines that addresses specific roles and responsibilities for all parties involved in the transition from Navigant's daily management of KDMC to a permanent Chief Executive Officer, including how long and to what extent Navigant Consulting should continue in its current capacity; and

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- Comprehensive analysis and report updating the Board on the progress to date of Navigant Consulting's extensive recommendations to the Board dated February 1, 2005, with a more detailed analysis than percentage measurements, including recommendations on any barriers encountered and how to address these barriers.

Supervisor Yaroslavsky made the following statement:

"On April 12, 2005, the Board of Supervisors directed the Director of Health Services to make recommendations, based on his best professional judgment, on the next steps that should be taken to establish and ensure quality hospital care at King/Drew Medical Center (KDMC). August 16, 2005 was subsequently established as the Board meeting date at which that report would be considered. In response to the Board's directive, on August 5, 2005 the Director of Health Services made a series of recommendations to the Board of Supervisors to establish KDMC as an academic community hospital.

"KDMC remains a troubled medical institution in need of radical reform and transformation. Time is of the essence if the hospital is to be saved. KDMC lost its Joint Commission on the Accreditation of Healthcare Organizations (JCAHO) accreditation earlier this year. At the same time, the Federal Center for Medicare and Medicaid Services (CMS) is monitoring the Medical Center's ability to provide safe and competent hospital care. If CMS concludes that the hospital does not meet its standards and decides to revoke its funding of KDMC, it would likely result in the hospital's closure.

"In other words, postponing action today on the Director of Health Services' recommendations, or any medically credible alternative to those recommendations, may well place the very existence of the hospital in jeopardy by the end of this year.

"In the interest of saving KDMC, the Board of Supervisors should maximize, not restrict its options. For this reason, the Board should proceed today to set the Beilenson Hearings that are required in order to implement the report's recommendations. The Board should also set a date by which the Hospital Advisory Board for KDMC, other stakeholders and any other interested parties can provide their input and/or suggest constructive alternatives to the Director's recommendations that might likely lead to a turnaround of the hospital's fortunes. Enough time should be allowed for the Director of Health Services to respond to those comments in advance of the Beilenson Hearings so that the Board of Supervisors can have the benefit of all of the information in advance.

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“Following the Beilenson Hearings, the Board of Supervisors will be in a position to either approve the implementation of the Director’s August 5th recommendations, or to approve an alternative that may have been presented to it. The advantage of this approach is that it allows the Board maximum flexibility to decide the future course of KDMC without further delay and jeopardy to the hospital’s existence.

“Change and reform at KDMC do not come easily, nor are they free from controversy. Nevertheless, in the interest of safe and competent hospital care, changes must be made. Regardless of what steps the County chooses to take to fix KDMC, one thing is certain – the County can no longer afford to delay its decision-making process.”

Therefore, Supervisor Yaroslavsky made a motion that the Board take the following actions:

1. Instruct the Director of Health Services to schedule a Beilenson Hearing on Tuesday, October 18, 2005 at noon in the Board of Supervisors Hearing Room to consider revisions of the clinical footprint at King/Drew Medical Center, as recommended by the Director of Health Services’ report dated August 5, 2005;
2. Request the Hospital Advisory Board, other stakeholders, and any interested parties to provide written comments, by September 30, 2005, on the Director’s recommendations or any alternatives to those recommendations, and that the Director provide his written response to those comments by October 7, 2005; and
3. Instruct the Director of Health Services, and other departments as necessary to:
 - Prepare a plan to modify KDMC staffing and budget, without any increase in net County cost, to expand various medical services in response to the healthcare delivery needs of Service Planning Area (SPA) 6 including cancer screening, detection and treatment; diabetes, high cholesterol and high blood pressure services; and outpatient general and specialty pediatric services, as outlined in the Director of Health Services’ August 5, 2005 report, for consideration by the Board at its October 18th meeting;

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- Continue discussions with all interested parties to define the financial, operational and contractual parameters for contracting out the operation of KDMC;
- Work with Navigant Consulting, Inc. to develop a plan for reduced or revised consultant services at KDMC, as appropriate, upon expiration of its current contract (October 31, 2005); and
- Develop a revised staffing model for the entire KDMC facility, similar in cost and structure to the staffing models at Olive View-UCLA and Harbor-UCLA Medical Centers, for consideration by the Board at its October 18 meeting.

Congresswoman Maxine Waters, Congresswoman Diane E. Watson, Councilwoman Janice Hahn and Retired Councilman Nate Holden, City of Los Angeles, Councilwoman Leticia Vasquez, City of Lynwood, Eric F. Boyd, District Director, Office of State Assemblyman Mark Ridley-Thomas, Reverend James Lawsen, Deacon Hosea M. Alexander, Sr., and other interested persons addressed the Board.

After further discussion, Supervisor Molina's foregoing motion, seconded by Supervisor Burke, failed to carry by the following vote: Ayes: Supervisors Burke and Molina; Noes: Supervisors Yaroslavsky, Knabe and Antonovich.

Supervisor Knabe made a suggestion that Supervisor Yaroslavsky's motion be amended to instruct the Director of Health Services to schedule a Beilenson Hearing on Tuesday, October 18, 2005 at noon in the community to consider revisions of the clinical footprint at King/Drew Medical Center. Supervisor Yaroslavsky accepted Supervisor Knabe's amendment.

Supervisor Yaroslavsky's motion, as amended, seconded by Supervisor Antonovich, was duly carried by the following vote: Ayes: Supervisors Yaroslavsky, Knabe and Antonovich; Noes: Supervisors Burke and Molina.

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Attachments

Copies distributed to:

Each Supervisor
Chief Administrative Officer
County Counsel
Director of Internal Services
Director of Personnel